

# FOREIGN POLICY BULLETIN

*An analysis of current international events*



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## **Will UN Support Sterner U.S. Policy Toward Peiping?**

The vote of the United Nations General Assembly on May 18, approving a resolution introduced by the United States for an arms embargo on Communist China, represents the first fruits, on the international scene, of General MacArthur's removal. Until recently some of the staunchest allies of the United States—notably Britain and Canada—had been very reluctant to consider economic sanctions against Peiping for fear that once such action had been voted, General MacArthur might subsequently take military measures which would involve the UN members in an all-out war with China. The notable change in the attitude of leading non-Communist nations was due in part to their growing belief that Peiping is not ready to reconsider cease-fire negotiations but chiefly to their conviction that President Truman and his diplomatic and military advisers are doing their best to limit the war in Korea and intend to avoid the two principal steps advocated by General MacArthur—bombing of Manchuria and use of Chiang Kai-shek's Formosa forces on the Chinese mainland—unless Peiping uses substantial air-power against the UN forces.

### **What Are War Materials?**

The resolution approved by the General Assembly by 47 to 0, with 8 abstentions and the Soviet bloc not participating, recommends that every member state embargo the shipment to Communist China and North Korea of "arms, ammunition and implements of war, atomic energy materials, petroleum, and items useful in the production of arms, ammunition and implements of war." While UN members generally agreed that the ban on arms and

war material was a logical sequel to the resolution of February 1, 1951 branding Communist China an aggressor, many of them believed it was superfluous because the leading UN exporting nations had already for the most part stopped exports of war materials. Some—notably India, which abstained from voting on May 18—contended that economic sanctions would merely create an additional psychological hurdle to future cease-fire negotiations with Peiping.

The United States, admitting that many UN members had already banned arms and war materials, believed that the resolution would serve to plug remaining loopholes and would also act as a deterrent to transshipment of prohibited goods by third countries. Most important of all, Washington hoped that the adoption of the resolution, by demonstrating a high degree of unity among the members of the international organization, would persuade Communist China to abandon aggression and seek a cease-fire agreement. In keeping with this hope, the UN resolution reaffirms that "it continues to be the policy of the United Nations to bring about a cessation of hostilities in Korea and the achievement of United Nations objectives in Korea by peaceful means," and requests the Good Offices Committee to persist in its efforts.

UN members will have no difficulty in identifying and banning the shipment of arms, ammunition and implements of war, atomic energy materials, oil, and such items as rubber (Britain on May 18 instructed the Singapore and Federation of Malaya governments to impose a ban on rubber). However, the phrase "items useful in the production of arms,

ammunition and implements of war" is expected to cause considerable anxiety in European countries which now ship a wide range of goods to Russia and nations of Eastern Europe in return for urgently needed products, notably Polish coal. Must all further exports which might conceivably prove useful in war production be kept from shipment to Russia and its neighbors for fear that they might ultimately reach China? If this is done, will retaliation by the East cut off imports of food and strategic raw materials which Western Europe needs and does not have dollar resources to purchase in the United States? Or will the United States have to give additional financial aid to Western Europe as a substitute for imports it might no longer obtain from the East? The urgency of this problem became clearly apparent on May 17, when it was revealed that West Germany had increased its east-bound exports from \$400,000 in 1949 to over \$11 million in 1950—chiefly in the months following the outbreak of the Korean war—with no protests on the part of Congress comparable to the protests aroused by Britain's shipments to China through Hong Kong.

### **UN Aims in Korea**

Whatever may be the results of the UN arms embargo, the international organization, by adopting economic sanctions against an aggressor, has registered an important success as contrasted with the League of Nations, which in 1935 found it impossible to ban oil shipments to Italy during the Ethiopian war—largely because the United States, a nonmember, gave no indication that it would support such a ban, and Britain, fearful of American com-

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petition, proved lukewarm to this form of sanction. By a striking reversal, the United States, 16 years later, is taking the lead in urging an international arms embargo, and both Congress and the American public have expressed great surprise that any member of the United Nations should hesitate to follow suit. From Washington's point of view the most gratifying aspects of the UN's action were the decisions of Indonesia and Yugoslavia. Indonesia, which had previously indicated that it would continue to ship rubber to China but which is heavily dependent on American financial aid, decided to comply with the embargo even though it abstained from voting. Yugoslavia, which had hitherto abstained from any action about the Korean war but which is receiving aid from this country and Britain, voted for the embargo.

### ***Cease-fire—or Longer War?***

As the UN debated the arms embargo resolution, Washington commentators reported rumors that the Korean war might end at an early date—presumably after the Chinese Communists had found it impossible to break down the resistance of UN forces. These rumors were strengthened by the belief in UN circles that the United States might be willing to accept restoration of the *status quo ante* in Korea—that is, reinstatement of the country's partition at the 38th Parallel—as a basis for cease-fire negotiations, subject to decisions about the demilitarization of North

Korea and eventual Korean unification.

General Matthew B. Ridgway, it was pointed out, had declared on March 12 that the United Nations would win a great victory if UN forces reached the 38th Parallel. It was also noted that Warren R. Austin, United States delegate to the UN, in a May 1 address to the Grand Lodge of Masons of New York State, defined UN aims as follows: "Militarily, the objective is to repel the aggression and restore international peace and security in the area. Politically, the objective is to establish a unified, independent and democratic government in the sovereign state of Korea. . . . The United Nations has not declared, nor has it ever been asked to declare, that the political objective must be achieved by military means. In fact, the emphasis has been quite the contrary. The policy of the United Nations has been—and should always be—to achieve its political objectives by pacific settlements." On May 19 General Ridgway, in his first report to the United Nations as commander of the UN army in Korea, declared that he was always emphasizing constantly to soldiers and civilians the world organization's desire to arrange a peaceful settlement of the war.

Meanwhile, on May 18, at the 25th anniversary dinner of the China Institute in America at the Waldorf-Astoria, Dean Rusk, Assistant Secretary for Far Eastern Affairs, in contrast to the conclusions of the White Paper on China published by the State Department in 1949, promised continuance of "important aid" to the Chinese

Nationalist government, which, he said, "more authentically represents the views of the great body of the people of China" than the Communists. By implication he offered to help the Chinese people if they revolted against the Peiping regime, which he described as a colonial puppet of Russia—a view of Communist China previously challenged by General MacArthur. Mr. Rusk, as well as John Foster Dulles, Republican adviser to the Department of State, and Senator Paul H. Douglas, Democrat of Illinois, who also spoke on this occasion, gave the impression that the objective of the United States was not merely to check aggression in Korea but to overthrow the government of Mao Tse-tung. This objective, if actively pursued, might conceivably bring the Administration to consider direct American military intervention on the China mainland, which has been urged by some of its Republican critics and by General MacArthur. Confirming this impression, Senator Robert A. Taft, Republican of Ohio, declared on May 20 that the Administration "has come around to practically all the features" of General MacArthur's proposals: "that the Republicans have been urging." To what extent this development will be accepted by UN members which supported the United States request for an arms embargo on the assumption that President Truman favored a limited war in Korea remains to be determined in the weeks ahead.

VERA MICHELES DEAN

## ***U.S. Criticism of Britain Seen as Aid to Moscow***

Today Russia has a great hope and a great objective—that Britain and the United States will fail to win the battle for freedom throughout the world. Its leaders shrewdly count not only on their own skill but on our follies to disunite us. The Communists today, like the Nazis yesterday, know that if they can divide Britain and the United States, they can conquer the world.

If the outcome depended on our political demagogues and our "yellow press," the answer would be Yes. There is no use denying that they have done some harm and will do much more harm if they can. But they do not speak for America.

It is true that there is an extreme but small left-wing group in Britain which does not like the Anglo-American partnership and is unfairly critical of America. But the responsible leaders of both the Labor government and the Conservative opposition have repudiated these extrem-

ists and have expressed, again and again, inside and outside of Parliament, their understanding and appreciation of America's efforts to protect the free nations against Russian imperialism. They have expressed, again and again and again, the British people's gratitude for the help of their American partner.

### ***U.S. Charges Against Britain***

Here in America we have been deluged in recent months with a constant stream of propaganda about Britain "trading with the enemy" and about the British "dragging their feet." There has been no serious effort here, comparable to that in England, by the leaders of both our parties to refute this vilification and abuse, which can only give aid and comfort to Moscow, no real attempt by our political leaders in or out of Congress to tell the American people the truth about our English partner, to urge understanding and fair play, even

when there are differences in methods about meeting the menace of Russian imperialism.

It is essential that we really try to be fair to our British partner. Of course this does not mean that there should be any suppression of honest differences among the members of our English-speaking family. Advice to other nations has always been the greatest American export, in volume if not in value, and we must expect and even welcome a fair balance of trade in that respect, as in others. But in these days of high tension we have what Anthony Eden calls "the responsibility to choose our words."

Take, first, the charge about Britain's "trading with the enemy." That accusation refers chiefly to Hong Kong's trade with China and Russia. Let's face the facts. Hong Kong applies the same controls to trade with China as are applied by Britain. This trade is nearly all in goods

and materials produced in many other countries, including the United States. In 1950 American shipments of goods to Hong Kong exceeded British shipments—about \$107 million worth from us compared with \$70 million worth from the British. The export to Communist countries of nearly 300 articles, including munitions, chemicals, oil, machine tools and so on has been absolutely forbidden by the British since last July, and the export of another hundred articles is carefully restricted, while the export of still another hundred articles is subject to the constant supervision of the British government. Britain has recently forbidden the sale of rubber to China for the balance of this year and has given its support to the UN embargo on war materials.

### *Two-way Trade*

Many of the free nations are receiving in their trade in civilian goods with Russia and China materials, such as tungsten, necessary to their own economic strength and essential to their ability to rearm and defend themselves against Communist aggression. It should be noted that the American occupying authorities in Japan recently accepted Chinese conditions for the continuation of the import of coking coal from certain mines in North China in exchange for an equal value of Japanese cotton yarn. The Japanese trade with China in 1950—under General MacArthur's administration—was about six times the volume of such trade in 1949.

Moreover, this brisk trade between Communist China and Japan was conducted and increased, at least until recent weeks, with the approval of General MacArthur's headquarters after the Communist aggression in Korea. As reported in *Newsweek* of March 5, 1951, this trade "is represented by the following figures for the four months of July-October 1950, the latest period for which statistics are available. Japan exported to Communist China \$8,106,000 worth of commodities. Included were \$6,121,000 worth of metals and metal products, \$1,013,000 of machinery, and \$463,000 of textiles. Japanese imports from the Chinese mainland amounted to \$16,496,000, including \$8,147,000 of food and \$3,795,000 worth of coal. This trade left Japan with an adverse balance of \$8,390,000. To help finance this trade with Communist China, General MacArthur's headquarters paid \$4,330,000, or half of the deficit, in United States funds to the Japanese government."

About one-third of Hong Kong's trade is with China. In the first 11 months of

1950, about \$340 million in trade went to China and about \$144 million to the United States. There are now about 2.5 to 3 million inhabitants of Hong Kong as compared with 600,000 in 1945. If that crowded little colony, an outpost of democratic civilization, is not permitted to conduct legitimate trade in civilian goods, the consequent economic collapse and civil strife would make almost certain its conquest from within.

The total British imports in 1950 from all the Iron Curtain countries, including China, amounted to less than 4 per cent of Britain's total imports, and its exports to these Iron Curtain countries in 1950 were only 2.5 per cent of its entire export trade. Britain's exports to China (civilian-trade goods) in the first quarter of 1951 amounted to one-fifth of one per cent of its total exports.

Britain and America are not legally at war with China or Russia. Our policy is to avoid war with them. That is what our political leaders are constantly telling us and the rest of the world. We must assume that they are telling the truth. It is true that a few noisy fanatics, possibly some stock speculators who are worried about a "peace scare" and some strangely perverse folk with the gruesome faith that the atom bomb will solve the major problems of a turbulent world, actually think that a third world war is imminent and inevitable, and even desirable. But the American people do not want another world war, and they do want their government to avoid such a war.

One of the hardest tasks of statesmanship is to keep local wars from becoming major conflicts, to end local wars, not extend them. That is what all the free people, including the American people, desperately want. But we Americans must make our actions fit our words, or the voice of America will be a monumental sham.

### *'Dragging Their Feet'*

Perhaps the most unscrupulous and the most malicious accusation by our propagandists for World War III is that the British are "dragging their feet." Again, let's face the facts.

In proportion to its population—one-third of ours—Britain has today as many men in its armed forces combatting or restraining Communist aggression as has the United States. Its forces are fighting or are on guard at 19 key points throughout the world. Anthony Eden pointed out in the April issue of *Foreign Affairs* that "these British forces are stretched in rela-

tion to the availability of trained men and modern arms more tautly than those of any other country, ally or enemy." The British were fighting in Malaya for two years before the Communist aggression in Korea last June. Britain has had universal military training for men 18 to 26 since 1947, while we are still talking about it. Who are "dragging their feet"?

The British people, for more than ten years, have voluntarily submitted to a rationing system, in some respects more severe today than ever before, unknown and perhaps even unbearable in this country. And why? To repair the awful damage of war, to enable their country to pay its own way, to meet its obligations, and to play its part in the defence of the freedom of mankind.

The results of this self-restraint and self-sacrifice on the part of the British people should be reassuring to their friends and astounding to future historians. Our partner has achieved solvency at least for the moment. Britain has raised its industrial production 50 per cent and its exports 70 per cent above the prewar level. Proportionately, Britain is doing at least as much as America—and is sacrificing vastly more than America—to meet the menace of Russian imperialism.

Nor is this the whole story. It is much easier for a rich man to contribute 10 per cent or 15 per cent of his income to worthy causes than it is for a man of modest means. In the one case there may be the sacrifice of some luxuries; in the other, of bare necessities. The true test is how much a man is doing as compared with what he can do.

As a Republican, I cannot sing hosannas to the British Labor party. Many of us Americans have grave doubts about the doctor's prescription now being administered to the British people, but I have not the slightest doubt that they will survive both the malady and the remedy. Moreover, we must admit, again in the spirit of fair play, that many of the measures adopted by the British Labor government during the past six years would also have been adopted in substance by the Conservatives. And as regards the main problems of foreign policy, the British people are united. As Winston Churchill remarked in the House of Commons on the eve of Prime Minister Attlee's recent visit to America—"Here in Britain, and I doubt not throughout the British Empire and Commonwealth of Nations, we always follow a very simple rule which has helped us in maintaining the safety of this coun-



try—the worse things get, the more we stand together.”

We Americans should not permit domestic political grievances, national vain-glory, stale prejudices or the ravings of demagogues to obscure our supremely important need of Britain as our chief ally and partner in all those areas essential to our common security. Let us remember always that British and Commonwealth bases are vital for the effective deployment of our armed forces; that British sea power, although less than ours, is still enormously effective (Britain's naval force off Korea was stronger than ours at the start of the Communist aggression); that Britain's air force is mightier today than when it won the Battle of Britain in 1940; that Britain's fighting power saved the world only ten and eleven years ago; that, despite many past errors in diplomacy and politics, Britain's diplomatic and political experience and wisdom are older and, in some ways, greater than our own; and, finally, that in a frightened and uncertain world

British character still stands like a “great rock in a weary land.”

Our task as the world's strongest nation will not be easy. We must become mature enough to realize that in a partnership of free nations no one nation, however great and wise and virtuous, can always be right or expect the unquestioning support of its partners at all times. But even if we measure up to our best traditions, we will continue to be denounced as “greedy imperialists.” We are finding that criticism a little hard to bear, because it is not true—and possibly also because it was once the favorite epithet of many Americans when Britain alone was doing the thankless jobs of the world. At any rate, our British friends can assure us that the first hundred years are the hardest.

LAWRENCE HUNT

(Mr. Hunt, member of the New York law firm of Wherry, Weadock and Hunt, is the author of *A Letter to the American People*, published in 1941, and several articles on international relations, dealing particularly with Anglo-American affairs.)

## FPA Bookshelf

*A History of the Modern World*, by R. R. Palmer. New York, Knopf, 1950. \$5.

The perplexities of the present day emerge in sharper focus when seen against the background of European history, as here presented, from the decline of the Roman Empire to the world-wide expansion of Western civilization and its profound disruption in our day by wars and revolutions; generously embellished with illustrations, maps, chronological tables and an annotated bibliography. The author is Professor of History at Princeton University.

*Partners, The United Nations and Youth*, by Eleanor Roosevelt and Helen Ferris. Garden City, N. Y., Doubleday, 1950. \$3.

A sympathetic and copiously illustrated account of UN activities as they affect young people, based on actual incidents and case histories from the work of such agencies as the IRO, FAO, UNESCO and UNICEF.

*UNRRA, The History of the United Nations Relief and Rehabilitation Administration*, prepared by a special staff under the direction of George Woodbridge, Chief Historian of UNRRA. New York, Columbia University Press, 1950. 3 vols. \$15.

A comprehensive and authoritative study, including in the third volume hitherto unpublished documentary material. Although recognizing its many grave weaknesses, the authors conclude that UNRRA justified its existence and that its termination reflected, not a negative verdict on its work, but rather the inability of the member governments to continue cooperating on the problems of the world.

*The American Tradition in Religion and Education*, by R. Freeman Butts. Boston, Beacon Press, 1950. \$3.

The principle of religious freedom and separation of Church and State as practiced in the United States is viewed historically in this work, which focuses on questions arising in the field of education. The author contends that any aid—direct or indirect—to religious instruction constitutes an “establishment of religion” and is therefore unconstitutional. He believes that if the American people wish to change the country's historic tradition, they should do so in full awareness of the possible results of their action.

*Church Lobbying in the Nation's Capital*, by Luke Eugene Ebersole. New York, Macmillan, 1951. \$2.75.

The relations of Church and State in the United States analyzed from a new point of view in this case study of the techniques employed by religious bodies seeking to influence legislation on behalf of causes in which they are interested, and some of the implications of new developments in this field.

*The Loyalty of Free Men*, by Alan Barth. New York, Viking, 1951. \$3.

A careful analysis of the activities of congressional investigating committees, of loyalty and security checks on federal employees, and of the practice of academic freedom leads a prominent journalist to defend the traditional American concept of free speech and thought and to assail the growing hysteria and unreason, which, by undermining the loyalty of free men, constitutes a grave threat to our security and way of life.

## News in the Making

**SPOTLIGHT ON RUBBER:** An important but little noted result of the Malayan ban on rubber exports to China has been a sudden decline in the price of this strategic commodity which may soon be reflected in the American market. In February the price of rubber had soared to 78 cents a pound, but on May 11 it had fallen to 48 cents. The United States is the major customer for Malayan rubber — taking 376,700 tons of the colony's 1.1-million-ton output in 1950. The price decline may also stimulate political unrest in Southeast Asian countries.

**REVISING ITALY'S PEACE TREATY:** In connection with rearmament efforts and important municipal elections scheduled for May 27 and June 10, Italy is seeking immediate revision of its peace treaty. In a speech on May 20 Foreign Minister Count Carlo Sforza asked the United States, Britain and France to consider revision of the treaty's military clauses, its economic restrictions and the means of implementing the March 1948 tripartite pledge to return Trieste to Italy, as well as a “decided move on the part of friendly powers” to bring Italy into the UN.

**BOOSTING EUROPE'S PRODUCTION:** The UN's Economic Commission for Europe estimated in a survey published on May 20 that the continent's production can be increased 13 per cent in 1951 if adequate supplies of industrial raw materials are available. Coal, steel and sulphur may be the most serious items in short supply, the survey stated.

**WAR AND POLITICS IN ISRAEL:** The resolution adopted on May 18 by the UN Security Council, 10 to 0, with Russia abstaining, asking Israel to suspend its Huleh marsh drainage project which had provoked a military clash with Syria, creates a difficult internal problem for the Tel Aviv government. With general elections set for July 30, it is feared that extremist elements may make political capital of any show of weakness by the cabinet of President David Ben-Gurion and, on the other hand, that Israeli defiance of the UN might jeopardize the \$150 million grant-in-aid Israel hopes to obtain from the United States.

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